



**STATEMENT OF PROCEEDINGS  
FOR THE REGULAR MEETING OF THE  
LOS ANGELES COUNTY AUDIT COMMITTEE**

**KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012**

**Thursday, November 17, 2011**

**10:30 AM**

Present: Member Glasgow, Chair Chough, Vice Chair Jordan and Member Gallucci

Excused: Member Ollague

Call to Order (11-4915)

**The meeting was called to order by Chair Lori Glasgow at 10:36 a.m.**

**I. ADMINISTRATIVE MATTERS**

1. Approval of the October 20, 2011 meeting minutes. (11-4897)

**On motion of Genie Chough, seconded by Dorinne Jordan, this item was approved.**

**Attachments:** [SUPPORTING DOCUMENT](#)

**II. BOARD POLICIES**

2. Recommendation to amend Board Policy 3.090 - County Aircraft Policy by extending the sunset review date to December 19, 2015 (10/18/11). (11-4859)

**On motion of Dorinne Jordan, seconded by Genie Chough, this item was approved.**

**Attachments:** [SUPPORTING DOCUMENT](#)

3. Recommendation to approve amendments to Board Policy No. 4.030 - Budget Policies and Priorities (10/19/11) (Continued from meeting of 11/17/11). (11-4864)

**Matt McGloin, CEO provided a brief background of the policy.**

**A discussion over forfeited employee health care and dependent care**

spending accounts ensued. Lori Glasgow questioned if employees are notified prior to the unclaimed monies from the dependent care spending accounts being transferred to County operated Child Care Centers.

Jim Schneiderman, A-C stated that once the account is not claimed it no longer belongs to the employee.

Dorinne Jordan requested the background history of the policy from Mr. McGloin.

Discussion over employees hired for temporary funded programs ensued. Lori Glasgow asked Mr. McGloin to further explore temporary funded items and provide recommendations for inclusion to the policy.

On motion of Lori Glasgow, and by common consent, this item was continued to the next meeting for Member Ollague to be present.

Attachments:    [SUPPORTING DOCUMENT](#)

4. Recommendation to amend Board Policy 3.110 - Department Responsibilities Under the County's Lobbyist Ordinance by extending the sunset review date to December 14, 2015 (11/3/11). (11-4495)

**On motion of Dorinne Jordan, seconded by Genie Chough, this item was approved.**

Attachments:    [SUPPORTING DOCUMENT](#)

5. Recommendation to approve amendment to Board Policy 6.020 - Chief Information Office Board Letter Approval (11/8/11) (Continued from meeting of 11/17/11). (11-4984)

**On motion of Dorinne Jordan, seconded by Genie Chough, this item was continued to the next meeting.**

Attachments:    [SUPPORTING DOCUMENT](#)

6. Recommendation to approve proposed Board Policy 6.200 - Information Sharing and Management Policy (11/8/11) (Continued from meeting of 11/17/11). (11-5005)

**On motion of Dorinne Jordan, seconded by Genie Chough, this item was continued to the next meeting.**

Attachments:    [SUPPORTING DOCUMENT](#)

**III. SUNSET REVIEWS**

7. Recommendation to approve request to the Board of Supervisors to extend the sunset review for the Los Angeles County Parks and Recreation Commission to July 1, 2014 (10/17/11). (11-4863)

**On motion of Dorinne Jordan, seconded by Genie Chough, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

**IV. OLD BUSINESS**

8. Recommendation to approve amendments and extension of the sunset review date for Board Policy No. 5.010 - MWBE Utilization Goal for County Contracts (8/10/11) (Continued from meetings of 8/18/11, 9/15/11, 10/20/11 and 11/17/11). (11-3718)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

9. Recommendation to approve amendments and extension of the sunset review date for Board Policy No. 5.130 - Contracting With Minority/Women/Disadvantaged/Disabled Veteran Owned Firms (8/25/11) (Continued from meetings of 9/15/11, 10/15/11 and 11/17/11). (11-4052)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

10. Recommendation to approve amendments and extension of the sunset review date for Board Policy No. 6.030 - County Website Advertising and Hotlink Policy (5/9/11) (Continued from meetings of 7/21/11, 8/18/11, 9/15/11 and 10/20/11). (11-2901)

**Susan Herman, Chief Executive Office (CEO) described the policy as one element in the County's overall strategy in regards to how County websites are being used to ensure information is being appropriately communicated. Ms. Herman explained that the policy should be drafted so that it sustains technology and social media while continuing to instruct the Board and Departments as to how the websites can be used to:**

- **Promote the County's mission**

- Promote programs supported or endorsed by the County
- Promote entities that the County has oversight without singling out venues.
- Recognize donors and sponsors in a non-commercial way

She added that the policy as it currently reads is intended to prevent exclusive benefit to commercial entities that do not enhance the County's mission or intent of services provided by the County. Additionally, it allows opportunity to sell tickets to County venues or link with venues or entities that the County has a relationship with. Ms. Herman explained that links to County supported venues or entities will have a disclaimer making a clear distinction that you are navigating away from the County web page.

Ms. Herman updated the members that they have explored social media and examined its effectiveness of Communication to Constituents. In doing so, they have recognized the significance of smart phones and social media in keeping informed and communicating. With that in mind, they have enabled designated staff to have access to social media and have been meeting with County Counsel, Department of Human Resources, Chief Information Office, Chief Executive Office, Internal Services and other lead departments to identify needs and interests going forward that may be addressed in future recommendations.

Peter Loo, Chief Information Office (CIO) clarified that the existing policy allows departments to request access to social media from the County intranet on an individual basis.

On motion of Carl Gallucci, seconded by Genie Chough, this item was approved.

Attachments:    [SUPPORTING DOCUMENT](#)

11. Los Angeles Superior Court Family Law Court - Minors' Counsel Cost Review (Board Agenda Item #71, April 29, 2011) (7/28/11) (Continued from meetings of 8/18/11, 9/15/11, 10/20/11 and 11/17/11). (11-3594)

On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was continued to the next meeting.

Attachments:    [SUPPORTING DOCUMENT](#)

12. Fraud Hotline Status Report - January 1, 2011 through June 30, 2011 (8/30/11) (Continued from meetings of 9/15/11, 10/20/11 and 11/17/11). (11-4045)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

#### **V. REPORTS**

13. Department of Health Services - High Desert Health System Payroll/Personnel Review (10/17/11). (11-4860)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

14. City of Pasadena Public Health Department - A Department of Public Health HIV/AIDS Care and Prevention Service Contract Provider - Fiscal Review (10/17/11). (11-4861)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

15. Internal Control Certification Program (ICCP) for Fiscal Year 2011-2012 (10/17/11). (11-4862)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

16. Women's and Children's Crisis Shelter - A Department of Public Social Services Domestic Violence Supportive Services Program Provider - Contract Compliance Review (10/26/11). (11-4867)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

17. Sheriff's Department - Inmate Welfare Fund Financial/Compliance Audit - Fiscal Year 2009-10 (10-27-11). (11-4869)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

18. Treasurer and Tax Collector Transient Occupancy Tax Financial/Compliance Audit for Fiscal Year 2007-08 (10/27/11). (11-4872)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

19. Department of Public Works Petty Cash Fund Review (10/27/11) (Continued from meeting of 11/17/11). (11-4884)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

20. Treasurer's September 16, 2011 Cash Count (11/2/11). (11-4885)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

21. JWCH Institute, Inc. - A Department of Public Health HIV/AIDS Care and Prevention Service Contract Provider - Fiscal Review (11/4/11). (11-4952)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

22. Department of Health Services Olive View Medical Center Procurement Review (11/4/11). (11-4953)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

23. Sheriff's Department - Contracts Review (11/7/11). (11-4865)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

24. Health Advocates, LLC - A Department of Public Social Services' Supplemental Security Income Appeals Representation Services Program Provider - Contract Compliance Review (11/7/11). (11-4954)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

25. Prototypes, Centers for Innovation in Health, Mental Health and Social Services - A Department of Public Social Services Domestic Violence Supportive Services Program Provider - Contract Compliance Review (11/7/11). (11-4955)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

26. Su Casa - Ending Domestic Violence - A Department of Public Social Services Domestic Violence Program Provider - Contract Compliance Review (11/7/11) (11-4956)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

27. Department of Children and Family Services - Review of Emergency Assistance Payments (Manual Warrants) (11/7/11) (Continued from meeting of 11/17/11). (11-4957)

**On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

28. Fiscal Year 2011-12 First Quarter Report on Audit-Related Funding Transferred from General Fund Departments (11/8/11). (11-4958)

**Dorinne Jordan asked for clarification on the report referring to**

employee termination timeliness and questioned the Coroner's stipend costs in the report.

Jim Schneiderman, A-C stated that the report is referring to the efficiency and timeliness of processing employees leaving the County. Robert Campbell, A-C explained that the Coroner had implemented a cell phone stipend program within their department and should the proposed cell phone policy be put into effect, the Coroner will likely be an early adopter.

Judi Thomas, A-C added that the reports included consist of routine audits and Board ordered assignments. She explained that a separate score card will be issued at the end of the year for Board ordered assignments.

On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.

Attachments:    [SUPPORTING DOCUMENT](#)

29. California State University, Long Beach Foundation - A Department of Public Health HIV/AIDS Prevention Service Contract Provider - Fiscal Review (11/8/11). (11-4968)

On motion of Dorinne Jordan, seconded by Carl Gallucci, this item was received and filed.

Attachments:    [SUPPORTING DOCUMENT](#)

30. Goodwill Industries of Southern California - El Monte - A Community and Senior Services' Workforce Investment Act Program Contract Service Provider - Contract Compliance Review - Fiscal Year 2009-10 (11/8/11). (11-4969)

On motion of Genie Chough, seconded by Dorinne Jordan, this item was received and filed.

Attachments:    [SUPPORTING DOCUMENT](#)

31. Star View Adolescent Center, Inc. - A Department of Mental Health Service Provider - Contract Compliance Review - Fiscal Year 2009-10 (11/17/11). (11-4970)

On motion of Lori Glasgow, seconded by Carl Gallucci, this item was received and filed.

Attachments:    [SUPPORTING DOCUMENT](#)



32. Internal Services Department - Review of Commitment Encumbrances, Accounts Payable, and Trust Accounts (11/9/11). (11-5003)

**On motion of Dorinne Jordan, seconded by Genie Chough, this item was received and filed.**

Attachments:    [SUPPORTING DOCUMENT](#)

## **VI. DISCUSSION ITEMS**

33. Proposed County Cell Phone and Data Card Usage Policy (7/20/11). (11-3504)

**Discussion over implementing the policy as an administrative policy by the CEO versus a Board policy in order to have more flexibility ensued.**

**Martin Zimmerman, CEO explained that there is not an established process to implement an administrative policy by the CEO, since it is a new practice. He explained that there are different entities in the County that can issue policy.**

**The members agreed that this should be implemented as a Board Policy.**

**Discussion over the stipend pilot program ensued. Judi Thomas, A-C informed the members that they are moving forward with the pilot program but, have not begun issuing stipends and the goal to start the program is in March.**

**Jim Schneiderman, A-C returned to the policy discussion and stated that most of the material addressed in the proposed policy would be in the fiscal manual. Mr. Zimmerman pointed out that the fiscal manual is a guidance tool and is not mandated.**

Attachments:    [SUPPORTING DOCUMENT](#)

34. Fiscal Year 2011-2012 Cash Flow Projection. (11-4866)

**John Naimo, A-C reported the initial Cash Projection for the current fiscal year ending June of 2012 is the negative. He stated that the first monthly report for the fiscal year had been issued to the Board with the year-end position upgraded to a positive \$50 million. He informed the members that the most recent fiscal year was the 4th consecutive year that the cash position has gone down. However, the first quarter shows a trend in the right direction.**

**Mr. Naimo explained that the State had realigned cash flows for some of the County's Health and Human Service programs. The realignment changed some of the patterns making monthly forecasting challenging.**

**A discussion over the impact realignment programs has on the County ensued.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

## **VII. MISCELLANEOUS**

- 35.**    Reorganization of Audit Committee. (11-5009)

**Lori Glasgow nominated Genie Chough to serve as Chair and Dorinne Jordan as Vice-Chair.**

**On motion of Lori Glasgow, seconded by Carl Gallucci, Genie Chough was appointed to Chair and Dorinne Jordan to Vice-Chair.**

- 36.**    Matters not on the posted agenda (to be Presented and Placed on the Agenda of a Future Meeting) (11-4898)

**There were none.**

- 37.**    Public Comment (11-4899)

**No members of the public addressed the Committee.**

- 38.**    Adjournment (11-4900)

**There being no further business to discuss, the meeting adjourned at 11:47 a.m.**